

**STATE OF LOUISIANA
OFFICE OF RISK MANAGEMENT**



**REQUEST FOR PROPOSALS
FOR
WORKER'S COMPENSATION UTILIZATION
REVIEW PROGRAM
RFP # 0201WCURP**

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1.1 Purpose

This Request for Proposals (RFP) is issued by the State of Louisiana, Office of Risk Management (herein referred to as ORM) for the purpose of providing interested parties with information to enable them to prepare and submit a proposal for selection of a Workers' Compensation Utilization Review organization to provide services described in Attachment "A".

1.2 Background

The Office of Risk Management is a state governmental entity established for the purpose of providing centralized property and casualty insurance coverage for all state entities. It is a unit of the executive branch of government, reportable to the Commissioner of Administration, Division of Administration, and therefore, is an extension of the Governor's Office.

The mission of ORM is to develop, direct, achieve and administer a cost effective comprehensive risk management program for all agencies, boards and commissions of the State of Louisiana and for any other entity for which the State has an equity interest, in order to preserve and protect the assets of the State of Louisiana. R.S. 39:1527, et seq., further designates ORM to provide self-insured workers' compensation coverage for State employees. There are approximately 100,000 classified and unclassified State workers who are covered by the State self-insurance program.

ORM operates satellite offices in New Orleans, Shreveport, Monroe, Lafayette and Pineville. ORM is administered by the Commissioner of Administration, Jerry Luke Leblanc, the State Risk Director, Julian S. "Bud" Thompson, Jr., and the State Risk Assistant Director, Patricia Reed.

The ORM website can be found at <http://www.doa.louisiana.gov/orm>

1.3 Goals and Objectives

ORM is soliciting a solution, via this Request for Proposals (RFP), from qualified proposers to provide quality, efficient and cost effective services through a Utilization Review Program. This program must comply with all utilization review rules, procedures and standards adopted by the Louisiana Department of Labor, Office of Workers' Compensation (herein called LDOL-OWC). The purpose of this Utilization Review Program is to coordinate cost and utilization management activities to assure appropriate payment for health care services rendered to State employees eligible for workers' compensation benefits.

The goals of this project include providing the following managed care components:

Hospital Pre-Admission Certification/Preparation/Implementation/Evaluation

Hospital Admission Certification/Preparation/Implementation/Evaluation

Hospital Continued Stay Review/including length of stay assignment/Preparation/Implementation, Evaluation

Hospital Discharge Planning/Preparation/Implementation

Second Surgical Opinion

Ambulatory Surgery/Preparation/Implementation/Evaluation

Pre-Screen of hospital/physician/chiropractic/physical therapy charges and if warranted, on-site audits with exit interviews

Application of the LDOL – OWC Reimbursement Schedules to billings subject to the Workers' Compensation Act with review/audit of the bills and an evaluation of the appropriateness of codes and charges along with the provision of recommendations for

payment based on the Schedules.

1.4 Scope of Services

Attachment "A" details the scope of services and deliverables or desired results that the State requires of the contractor.

2.0 ADMINISTRATIVE INFORMATION

2.1 Expected Time Period for Contract

The period of any contract resulting from this RFP is tentatively scheduled to begin on or about February 18, 2005 for a period of three years.

2.2 RFP Coordinator

This RFP is available in electronic form at the State of Louisiana Office of Risk Management website or by typing <http://www.state.louisiana.gov/orm>. A hard copy can also be obtained upon request.

RFP Coordinator: Bonnie Fuller

<u>Postal Address</u>	<u>Common Carrier Address</u>
Office of Risk Management Post Office Box 91106 Baton Rouge, Louisiana 70821-9106	Office of Risk Management Claiborne Building, Suite G-192 1201 North Third Street Baton Rouge, Louisiana 70802
FAX: (225)342-8473 Email: Bonnie.Fuller@La.Gov	

2.3 Proposer Inquiries

The State will consider written proposer inquiries regarding RFP requirements or Scope of Services by the date specified in the Calendar of Events. The State reserves the right to modify the RFP should a change be identified that is in the best interest of the State.

2.4 Calendar of Events

<u>Event</u>	<u>Date</u>
RFP Release Date.....	December 17, 2004
Deadline for receiving proposer inquiries (4:00 P.M. Central Time)...	December 29, 2004
Last date to respond to proposer inquiries.....	January 7, 2005
Proposal submission deadline (4:00 P.M. Central Time).....	January 19, 2005
Formal Announcement of selected proposer.....	January 24, 2005
Estimated Contract Execution.....	February 18, 2005

NOTE: The State of Louisiana reserves the right to amend and/or change this schedule of RFP events, as it deems necessary.

2.5 Definitions

- **RFP** means Request for Proposals
- **ORM** means the State of Louisiana, Office of Risk Management
- **Proposer** means a company submitting a proposal in response to this RFP
- **Contractor** means proposer awarded the contract
- **State** means the State of Louisiana, Office of Risk Management

3.0 PROPOSAL INFORMATION

3.1 Proposal Response Location

Proposers who are interested in providing consulting services under this RFP must submit a proposal containing the information specified in Section 4 (Response Instructions). The fully completed proposal with original signatures by an authorized representative must be received in hard copy by the RFP Coordinator designated in Section 2 (Administrative Information) by the deadline date specified in the Calendar of Events. Envelopes containing RFP should clearly reflect **RFP0201WCURP** in the lower left hand corner of the outside of the envelope. **Fax or Email submissions are not acceptable.**

It is solely the responsibility of each proposer to assure that their proposal is delivered at the specified place and prior to the deadline for submission. Proposals, which for any reason are not so delivered, will not be considered for purposes of this RFP.

Proposals are valid for ninety (90) days after submission.

3.2 Minimum Requirements

Proposers of this RFP must meet the following minimum requirements. Failure to respond to or comply with any of the following will result in disqualification of the proposal.

1. The proposer must have a minimum of one (1) year organizational experience in utilization review management.
2. The proposer must have experience with providing services for at least one (1) insurance company/self-insurer with group size of ten thousand (10,000) covered employees or more.
3. The proposer must maintain an office within a 100-mile radius of Baton Rouge, Louisiana, with a Program Manager. Responsibility and control will be with the vendor to ensure confidentiality and delivery within a seven (7)-day turn around time. Program Manager must have authority to respond to ORM questions and correct any problems that may arise.
4. The proposer must have the capability for electronic data interfacing and/or on site processing.

3.3 Tasks and Services

1. Provide sufficient service facilities and personnel to operate this program. The proposer will not be permitted to sub-contract with another entity for services.
2. Maintain an office within a 100-mile radius of Baton Rouge, Louisiana, with a Program Manager. Responsibility and control will be with the vendor to ensure confidentiality and delivery within a seven (7)-day turn around time. Program Manager must have authority to respond to ORM questions and correct any problems that may arise.
3. Coordinate with the Office of Risk Management a process for medical reimbursement fee schedule review and delivery of reports.
4. Coordinate with the Office of Risk Management a process for transfer of all bills identified for review and delivery of reports. All bills will be forwarded within twenty-four (24) hours to auditing firm's location for review and evaluation at the expense of the successful proposer (Exception: Weekends and holidays).
5. Furnish reports to the Office of Risk Management in which fee scheduled items will be reported on a line by line entry basis, along with computation of the fee schedule limit, and recommended payment, i.e., explanation of reimbursement (EOR). EOR's to ORM Preferred Provider Organizations (PPO's) will indicate appropriate discounts in addition to fee schedule reductions.

6. Review billings in compliance with the official Louisiana Workers' Compensation Reimbursement Schedules beginning on or about February 18, 2005 for accuracy of charges, levels of service and by surgery reports. Certain procedure codes should be evaluated by a registered nurse and/or physician advisor.
7. Evaluate the appropriateness of codes and charges related to the industrial injury/diagnosis.
8. Accomplish its review and return of all bills to the Office of Risk Management within five (5) working days from receipt of such bills. If bills require review beyond five (5) working days, the Office of Risk Management will be notified on the fifth working day following receipt of the bill.
9. Respond to all inquiries/complaints or appeals from claimants and/or providers and follow LDOL-OWC appeals process guidelines if findings are disputed at no additional cost to the Office of Risk Management. Appear at arbitration hearings at no additional cost to the Office of Risk Management
10. Use computer system to maintain an on-line, six (6) month minimum history of all processed bills; thereby, preventing duplicate payments, charges for surgery follow-up care, as well as monitoring length and frequency of treatment. Automated software support for the review process will be used by the proposer in order to assure timely responses, uniform administration, and complete data gathering. Any computer link up between proposer computer system and ORM computer will be at expense of proposer.
11. Provide quarterly statistical reporting of the number of bills and line items reviewed, dollar amount reviewed, amount of recommended reductions, total expense and net savings.
12. Provide a monthly invoice with an itemization of all billings reviewed reflecting claimant name, ORM claim number, adjuster number, and expense costs.
13. Provide annual report on all medical review activity reflecting claim number, claimant name, health care provider, adjuster name and status capturing the statistical data elements required by the LDOL-OWC.
14. Submit with response to this RFP, a certificate of insurance showing proof of errors and omissions coverage on the agent and/or broker's letterhead with limits of liability of at least \$1,000,000. This errors and omissions coverage must be maintained throughout the period of this contract.
15. Allow ORM to have an independent organization audit or evaluate the firm's performance under the terms and conditions of the contract.
16. Develop and provide to ORM communication materials necessary to effectively respond to health care providers' inquiries regarding the medical review program. This communication material shall be subject to ORM's approval. There are approximately twenty-one (21) ORM employees involved.
17. Provide audited financial statements or Federal Tax Returns reflecting upon the financial stability of the proposer firm.
18. Respond to all questions in the General Questionnaire which follows.
19. The Medical Director and Program Director may not be replaced without written ORM approval. Such approval shall not be unreasonably withheld.
20. At the successful proposer's expense, maintain and adjust the Utilization Program and Reimbursement Schedules as rules, regulations and reimbursement schedules are updated by LDOL-OWC.
21. Proposer will be required to collect data for report preparation as outlined in the billing and maintenance section of the Office of Workers' Compensation Reimbursement Manual.

3.4 General Questionnaire

In order for your proposal to be considered and accepted, your organization should provide answers to the questions presented in this section. **Each question should be answered specifically, in detail and in the order in which they appear.** Reference should not be made to a prior response nor should any answer apply to more than one question.

Please feel free to include in your proposal any additional information, which you consider useful to ORM. However, responses to the questions set forth below must be provided.

1. Describe in detail your systems and procedures for each managed care component.

Please include in your response answers to the following specific questions:

- a. How does the proposer firm intend to interface with health care providers on disputed charges?
- b. How many staff members and what category and during what hours will they be accessible to ORM? Please describe their credentials and provide resumes.
- c. Are determinations made by nurses, physicians or other personnel? By whom? Please describe their credentials and provide resumes for each staff member who will be dedicated to this program.

2. Describe in detail your systems and procedures for review of health care provider bills and include a sample Explanation of Reimbursement form.

Please include in your response answers to the following specific questions:

- a. Specify the number of elapsed working days from the time the bills are picked up, audited and returned to ORM.
- b. How does the review firm intend to interface with health care providers and disputed charges?
- c. How frequently and by what method does the review firm intend to receive medical bills from ORM? Daily receipt/delivery is minimum requirement.
- d. How many staff members and what category and during what hours will they be accessible to ORM? Please describe their credentials and provide resumes for each staff member who will be dedicated to this program.
- e. What steps will be taken by the review firm to ensure that duplicate bills will be screened and identified to preclude being audited twice?
- f. Are determinations made by nurses, physicians or other personnel? By whom? Please describe their credentials and provide resumes for each medical professional or other personnel dedicated to this program.
- g. When do physicians, chiropractic specialists and/or physical therapy specialists become involved?

3. Describe your company in detail commenting on size, history, experience, etc. Furnish the names, addresses and telephone numbers of four (4) references that have had direct experience with the utilization review services you provide. Please also include with each reference, the number of employees covered, the type of services provided and the effective date of the contract. In addition, please respond to the following:

- a. Where are the local offices (if any) and where is the central office located?
- b. Provide sample reports that are comprehensive and complete. How frequently are reports prepared for clients?
- c. Will your firm agree to modify procedures to meet the needs of this Program?

- d. How will your firm coordinate activities with ORM staff?
- e. Provide the number, tenure with your firm, and type of personnel used in each phase of the fee schedule process.
- f. Describe your firm's training and continuing educational programs for your staff.
- g. Will your firm agree to an on-site visit at the facility which would handle ORM's utilization review procedures by members of the ORM staff or their designees prior to the award of a contract?
- h. Describe your methodology for and monitoring of real savings. How is baseline data developed? How are first, second, and subsequent years savings developed?
- i. How many full-time nurses are on your staff? Describe their credentials.

4. **Implementation**

- a. What steps do you anticipate will be necessary to effectively implement the Program? Please provide a timetable.
- b. How many incoming phone calls to the contractor do you anticipate will be generated by the Program as described in this RFP? Describe your staffing plan to deal with these phone calls.
- c. How many employees do you anticipate will be needed to handle this Program?
- d. Have you implemented similar large programs? (Explain and provide details).

The State will consider written proposer inquiries regarding RFP requirements or Scope of Services by the date specified in the Calendar of Events. The State reserves the right to modify the RFP should a change be identified that is in the best interest of the State.

To be considered, written inquiries and requests for clarification of the content of this RFP must be received at the above address or via fax at (225) 342-8473 by 4:00 p.m. CST on the date specified in the Calendar of Events. Any and all questions directed to the RFP Coordinator will be evaluated to determine if an official response is necessary. Official responses to the questions presented by the proposers will be posted by January 7, 2005 at <http://www.state.louisiana.gov/orm>. It is the responsibility of the proposer to check the website for responses to proposer's inquiries.

Only Julian S. "Bud" Thompson, Jr., State Risk Director has the authority to officially respond to proposer's questions on behalf of the State. Any communications from any other individuals are not binding to the State

3.5 **Report Requirements**

Regular and comprehensive statistical reporting is the only way ORM would be able to measure the value of this program. ORM will require quarterly reports due on the 15th of the following month and a fiscal year summary analysis report (due 14 days after the close of the fiscal year) that will include statistics on the following:

REIMBURSEMENT SCHEDULE

1. Number of invoices reviewed
2. Number of line items reviewed
3. Total dollar amount
4. Total amount of recommended reductions
5. Total of fee schedule expense fee
6. Net savings

Hospital/Physician/Chiropractic/Physical Therapy Audit

1. Number of invoices audited
2. Total dollar amount
3. Total amount of recommended reductions
4. Total of audit expense fees
5. Net savings

Utilization Review/Hospital Pre-Certification, etc.

1. Number of Admissions requested and number of admissions approved.
2. Number of days requested, number of days actual and number of days reduced
3. Total dollar value of recommended reductions
4. Total of pre-certification expense fees
5. Net savings

Provide annual (calendar year) reports as mandated LDOL-OWC providing the following data:

Information	#Positions/Type
1. ICD-9 Diagnosis Code	5 Numeric
2. Provider Name	30 Alpha11
3. Provider Street Address	30 Alpha Numeric
4. Parish Code for Provider of Service (Standard FIPS Code)	3 Numeric
5. Place of Treatment	1 Alpha Numeric
6. Type of Facility (Per LDOL-OWC)	6 Numeric
7. Type of Service Medical vs. Surgical	1 Alpha Numeric
8. Claimant Name	30 Alpha
9. Claimant Social Security Number	9 Numeric
10. Length of Stay	4 Numeric
11. ORM Claim Number	15 Alpha Numeric
12. Managed Care Component(s) Provided	15 Alpha Numeric

3.6 Determination of Responsibility

Determination of the provider's responsibility relating to this RFP shall be made according to the standards set forth in Louisiana Administrative Code Title 34, Part V, Section 136 (Determination of Responsibility). The State must find that the consultant:

1. Has adequate financial resources for performance, or has the ability to obtain such resources as required during performance;
2. Has the necessary experience, organization, technical qualifications, skills, and facilities, or has the ability to obtain them;

- 3 Is able to comply with the proposed or required time of delivery or performance schedule;
- 4 Has a satisfactory record of integrity, judgment, and performance; and
- 5 Is otherwise qualified and eligible to receive an award under applicable laws and regulations.
- 6 Proposers should ensure that their proposals contain sufficient information for the State to make its determination by presenting acceptable evidence of the above to perform the services called for by the contract.

3.7 RFP Addenda

State reserves the right to change the calendar of events or revise any part of the RFP by issuing an addendum to the RFP at any time. It is the responsibility of the proposer to check the website for any addenda to this RFP.

3.8 Waiver of Administrative Informalities

The State reserves the right, at its sole discretion, to waive administrative informalities contained in any proposal.

3.9 Proposal Rejection

Issuance of this RFP in no way constitutes a commitment by the State to award a contract. The State reserves the right to accept or reject, in whole or part, all proposals submitted and/or to cancel this announcement.

3.10 Withdrawal and Re-submission of Proposal

A proposer may withdraw a proposal that has been submitted at any time up to the date and time the proposal is due. To accomplish this, a written request signed by the authorized representative of the proposer must be submitted to the RFP Coordinator.

3.11 Subcontracting Information

The State shall have a single prime contractor as the result of any contract negotiation, and that prime contractor shall be responsible for all deliverables references in the RFP or proposal. Unless provided for in the contract with the State, the prime contractor shall not contract with any other party for furnishing any of the work and professional services herein contracted.

3.12 Ownership of Proposal

All responses become the property of the State and will not be returned to the proposer. All material submitted regarding and in response to the RFP becomes the property of the State of Louisiana. The State shall have the right to use all ideas or adaptations of the ideas contained in any offer received in response to this Request for Proposal. Selection or rejection of this response will not affect this right.

3.13 Proprietary Information

Only information that is in the nature of legitimate trade secrets or non-published financial data may be deemed proprietary or confidential. Any material within a proposal identified as such must be clearly marked in the proposal and will be handled in accordance with the Louisiana Public Records Act, R.S. 44:1-44 and applicable rules and regulations. Any proposal marked as confidential or proprietary in its entirety may be rejected without further consideration or recourse.

3.14 Cost of Preparing Proposals

Costs of developing the response are entirely the responsibility of the proposer, and shall not be reimbursed in any manner. The State is not liable for any costs incurred by prospective proposers prior to issuance of or entering in a contract. Costs associated with developing the proposal, preparing for oral presentations, and any other expenses incurred by the proposer in responding to this RFP are entirely the responsibility of the

proposer and shall not be reimbursed in any manner by the State.

3.15 Errors and Omissions in Proposal

The State will not be liable for any errors in proposals. the State reserves the right to make corrections or amendments due to errors identified in proposals by State or the proposer. The State, at its option, has the right to request clarification or additional information from the proposers.

3.16 Contract Award and Execution

The State reserves the right to enter into a contract, without further discussion of the proposal submitted, based on the initial offer received. The State reserves the right to contract for all or a partial list of services offered in the proposal.

The RFP and proposal of the selected proposer will become part of any contract initiated by the State.

The selected proposer will be expected to enter into a contract, which is substantially the same as the sample contract included in Attachment "I". **In no event is a proposer to submit its own standard contract terms and conditions as a response to this RFP.** The proposer should submit with their proposal any exceptions or exact contract deviations that their firm wishes to negotiate. Negotiations may begin with the announcement of the selected proposer. Due to the time constraints in contracting with respondents, companies that are unable to agree to the non-negotiable terms in Section 6 should not submit proposals in response to this RFP.

3.17 Code of Ethics

All potential contractors are hereby advised that contractors may, in certain circumstances, be deemed "public employees" as interpreted by the Louisiana Commission on Ethics for Public Employees. Proposers are responsible for determining that there will be no conflict or violation of the Ethics Code if their company is awarded the contract. Ethics issues are interpreted by the Louisiana Board of Ethics.

3.18 Disqualification

The State reserves the right to verify all information provided by a proposer via direct contact with the proposer's prior clients and prior project personnel and proposers must agree to provide and release necessary authorizations for the State to verify any of the proposer's previous work. As described elsewhere in this RFP, each proposer will be required to submit a detailed resume of all key personnel. Misstatements of experience and scope of prior projects shall be grounds for disqualification of the proposer from further consideration.

3.19 Right to Protest

Any proposer who is aggrieved in connection with the Request for Proposals or award may protest to the head of the agency issuing the proposal, at which time the agency shall notify the Office of Contractual Review that a protest has been lodged. Said protest shall be in writing and state fully the reason(s) for the protest. A protest must be filed at least 14 days prior to the date for receipt of proposals. Protests with respect to an award shall be submitted within 14 days after the award has been announced by the agency.

4.0 RESPONSE INSTRUCTIONS

4.1 Proposal Submission

Proposals must be received on or before **4:00 P.M. Central Time** on the date specified in the Calendar of Events (see section 2.4). Proposers mailing their proposals should allow sufficient mail delivery time to ensure receipt of their proposal by the time specified. The proposal package must be delivered at the proposer's expense to:

Bonnie Fuller,
Contracts/Grants Reviewer Supervisor
Office of Risk Management
Post Office Box 91106
Baton Rouge, Louisiana 70821-9106

For courier delivery, the street address is 1201 North 3rd Street, Ground Floor, Suite G-192, Baton Rouge, Louisiana, and the telephone number is (225)342-8659. It is solely the responsibility of each proposer to assure that their proposal is delivered at the specified place and prior to the deadline for submission. Proposals, which for any reason are not received timely, will not be considered.

4.2 Fee Quotation

- A. Commission or finders' fees are not payable under this contract.
- B. Proposer must propose fees for a three (3) year contract with such fees to be guaranteed.
- C. Proposer fees must include all of the services described in this RFP.
- D. Please quote fees as follow:

1. Reimbursement Schedule Review

a) Quote on a cost per line item and include minimum cost per bill and maximum cost per bill. **The maximum number of lines per bill paid by the state will be ten (10) lines.** Quote hourly professional services fee any bills requiring audits and/or professional reviews. (Statistics provided in attachment "B" may assist you in developing your quoted fees).

2. Hospital, Physician, Chiropractic, Physical Therapy Audit

a) Fee quotation to be quoted on an hourly basis and include minimum and maximum cost per case. This hourly rate should serve as the professional rate charged to resolve questions regarding medical necessity of appropriateness.

3. Hospital Pre-Certification, Certification, Continued Stay Review, Discharge Planning, Ambulatory Surgery, Second Surgical Opinion

a) Fee quotation to be quoted on a per case basis. Quote hourly professional services fee to resolve questions regarding medical necessity of appropriateness and Second Surgical Opinion.

Based on your proposal please provide a sample response to the total expense charge for the three (3) year contract period for the following situations:

THE FOLLOWING SITUATIONS ARE NOT FOR EVALUATION PURPOSES

Fee Schedule Expense

- Claim 001: 1 invoice with 1 line item/pharmacy with and without professional services fee.
- 1 invoice with 5 line items/physician with and without professional services fee.

1 invoice with 30 line items/physical therapy with and without professional services fee.

Hospital, Physician, Chiropractic, Physical Therapy Audit Expense

Claim 001: 1 hospital on-site audit with 1 hour travel time plus 4 hours of actual audit time to include exit interview. Portion of bill to be audited is operating room services totaling \$10,000.00.

Hospital Pre-Certification, Certification, etc. Expense

Claim 001: 1 Certified Inpatient Hospital Admission on a per case basis.
1 Certified Second Surgical Opinion Referral on a per case basis.

4.3 Proposal Format

The State requests that six (6) copies of the proposal be submitted to the RFP Coordinator at the address specified. At least one (1) copy of the proposal must contain original signatures; that copy must be clearly marked or differentiated from the other copies of the proposal.

This copy will be incorporated, by reference, in any contract resulting from this RFP.

The proposal must be signed by those company official(s) or agent(s) duly authorized to sign proposals or contracts on behalf of the organization. A certified copy of a board resolution granting such authority shall be submitted.

Proposer should submit a proposal, which should include enough information to satisfy evaluators that the proposer has the appropriate experience and qualifications to perform the scope of services as described in the order indicated below. The headings and subheadings should be separated by tabs.

Tab 1 Response to Minimum Requirements

All required documentation to be submitted in the order that the requirements are numbered.

Tab 2 Responses to General Questionnaire

Tab 3 Samples of Report Requirements (see page 7)

Tab. 3,A Reimbursement Schedule

Tab 3,B Hospital/Physician/Chiropractic/Physical Therapy Audit

Tab 3,C Utilization Review/Hospital Pre-Certification, etc.

Tab 4 Fee Quotation – Cost Proposal Forms (see attachments D, E, F)

Tab 4,A Reimbursement Schedule Review (Attachment D)

Tab 4,B Hospital, Physician, Chiropractic, Physical, Therapy Audit (Attachment E)

Tab 4,C Hospital Pre-Certification, Certification, Continued Stay Review, Discharge Planning, Ambulatory Surgery, Second Surgical Opinion (Attachment F)

Tab 5 Additional Forms Required

Certification Statement (Attachment G)

Certified copy of Board Resolution (Attachment H)

5.0 EVALUATION AND SELECTION

5.1 Evaluation Team

The evaluation of proposals will be accomplished by an evaluation team, to be designated by the State, which will determine the proposal most advantageous to the State.

5.2 Mandatory Requirements

All proposals will be reviewed to determine compliance with the minimum requirements as specified in the RFP. Proposals found not to be in compliance with the minimum requirements will be rejected from further consideration.

5.3 Evaluation and Review

Proposals that meet the minimum requirements review will be evaluated based on information provided in the proposal.

The Evaluation Team will evaluate and score the proposals using the criteria and scoring specified below:

A. Adequacy & Qualification of Utilization Review Staff & Experience 100

Evaluation under this criteria shall include but not necessarily be limited to a review of the number, qualifications and experience of proposer utilization review staff and medical bill reviewers; the extent of physician involvement including the range of specialists involved and an in-depth review of the utilization review and the medical bill procedure utilized by the company. The physician who reviews procedures must be in the same field of specialty as the procedure being reviewed. The physician must be a Louisiana staff physician.

B. Reporting Capabilities 50

Evaluations of the proposals under these criteria shall include but not necessarily be limited to a review of the documentation of the utilization review activity of the proposer; and the procedure and elements of documentation of savings and the flexibility of the proposer to meet ORM needs.

C. Quality Assurance 50

Evaluation pursuant to these criteria shall include but not necessarily be limited to a review of internal quality controls.

D. Customer Reference 40

Evaluation under this criteria shall include but not necessarily be limited to contacting the list of present and former customers furnished by the proposer to determine the features purchased, the savings realized and the method of verification of the savings, the customer and plan member satisfaction, problem areas, implementation assistance and any other relevant factors.

E. Implementation Plan 30

Evaluation of the proposals under this criteria shall include but not necessarily be limited to the proposer's plan for implementing medical review under the Reimbursement Schedule pursuant to R.S. 23:1034.2 and implementing the Utilization Review Program.

F. Cost 150

Evaluation of the proposals under these criteria shall include the overall expense cost to the State for all managed care components for a three (3) year contract.

FOR EVALUATION PURPOSES COST WILL BE EVALUATED BY:

1. Averaging per line cost years multiplied by 166,678 lines to arrive at a cost for an average annual per line cost. The maximum number of lines per bill paid by the state will be ten (10) lines.

2. Averaging hourly rate for **Hospital, Physician, and Chiropractic, Physical Therapy audits multiplied by** ten (10) hours to arrive at annual average cost.

3. Averaging cost per case multiplied by 1,262 cases to arrive at an average annual per case cost.

Sum numbers 1, 2 and 3 to reach a total average annual cost for each of the three (3) years.

ORM's formula in establishing proposer points will be as follows:

$$\frac{\text{lowest total average cost}}{\text{proposal total average cost}} \times \text{maximum points} = \text{Points Assigned}$$

- G. The Evaluation Team will compile the total scores on a consensus basis and make a recommendation to the head of the agency on the basis of highest score. The award of a contract is subject to the approval of the Division of Administration, Office of Contractual Review.

5.4 Announcement of Contractor

The State will notify the successful proposer and proceed to negotiate terms for a final contract. Unsuccessful proposers will be notified in writing accordingly.

Each proposer will have the ability to meet with ORM to discuss its proposal evaluation.

6.0 CONTRACT REQUIREMENTS

The following requirements are not negotiable.

6.1 Corporation Requirements

If the contractor is a corporation not incorporated under the laws of the State of Louisiana, the contractor shall obtain a certificate of authority pursuant to R. S. 12:301-302 from the Louisiana Secretary of State upon the award of the contract.

If the contractor is a for-profit corporation whose stock is not publicly traded, the contractor shall file a disclosure of ownership form and, if outside of Louisiana, a certificate of authority is properly filed with the Louisiana Secretary of State upon the award of the contract.

6.2 Payment Terms

Payment of fees for successful proposer's services will be made by the Office of Risk Management within thirty (30) days of receipt of itemized invoice. Payment will be made only on approval of State Risk Claims Manager or her designee. (Payment terms will be negotiated).

6.3 Confidentiality of State Information

All financial, statistical, personal, technical and other data and information relating to the State's operations which are designated confidential by the State and made available to the contractor in order to carry out this contract, or which become available to the contractor in carrying out this contract, shall be protected by the contractor from unauthorized use and disclosure through the observance of the same or more effective security requirements as are applicable to the State. Contractor shall not be required to

keep confidential any data or information that is or becomes publicly available, is already rightfully in the contractor's possession, is independently developed by the contractor outside the scope of this contract, or is rightfully obtained from third parties. Under no circumstance is the contractor to discuss and/or release information to the media concerning this project without prior express written approval of the Commissioner of Administration.

6.4 Board Resolution

The contractor, if a corporation, shall secure and attach to the contract a formal, dated Board Resolution (see Attachment "H") indicating the company official/agent is a corporate representative and authorized to sign said contract.

6.5 Taxes

Contractor hereby agrees that the responsibility for payment of taxes from the funds thus received under this Contract and/or legislative appropriation shall be that of the contractor identified by Federal tax identification number/social security number.

6.6 Termination for Cause

The State may terminate this contract for cause based upon the failure of the Contractor to comply with the terms and/or conditions of the contract; provided that the State shall give the Contractor written notice specifying the Contractor's failure. If within thirty (30) days after receipt of such notice, the Contractor shall not have either corrected such failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place the Contractor in default and the contract shall terminate on the date specified in such notice. The Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the State to comply with the terms and conditions of this contract; provided that the Contractor shall give the State written notice specifying the State's failure and a reasonable opportunity for the state to cure the defect.

6.7 Termination for Convenience

The State may terminate the contract at any time by giving thirty (30) days written notice to the Contractor. The Contractor shall be entitled to payment for deliverables in progress, to the extent work has been performed satisfactorily.

6.8 Remedies for Default

Any claim or controversy arising out of this contract shall be resolved by the provisions of LSA - R.S. 39:1524 -1526.

6.9 Non-Assignability

No Contractor shall assign any interest in this contract by assignment, transfer, or novation, without prior written consent of the State. This provision shall not be construed to prohibit the contractor from assigning his bank, trust company, or other financial institution any money due or to become due from approved contracts without such prior written consent. Notice of any such assignment or transfer shall be furnished promptly to the State.

6.10 Auditors

It is hereby agreed that the Legislative Auditor of the State of Louisiana and/or the Office of the Governor, Division of Administration auditors shall have the option of auditing all accounts of Contractor that relate to this contract.

6.11 Fiscal Funding

The continuation of this contract is contingent upon the appropriation of funds to fulfill the requirements of the contract by the legislature. If the legislature fails to appropriate sufficient monies to provide for the continuation of the contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act

to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the contract, the contract shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated.

6.12 Discrimination Clause

The Contractor agrees to abide by the requirements of the following as applicable: Title VI and VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Act of 1975, and Contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990.

Contractor agrees not to discriminate in its employment practices, and will render services under this contract without regard to race, color, religion, sex, national origin, veteran status, political affiliation, or disabilities.

Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this contract.

6.13 Amendments

All amendments to the contract will be by mutual agreement of the contract parties and shall be in writing, and signed by duly authorized representatives of both parties and approved by the Director of Contractual Review, Division of Administration.

6.14 Insurance Requirement

The Contractor shall maintain Errors and Omissions coverage with limits of at least \$1,000,000 for the duration of the contract. Proof of such coverage is required and must be submitted each policy period during the duration of the contract.

6.15 Governing Law

This contract shall be construed in accordance with and governed by the laws of the State of Louisiana.

6.16 Indemnification

The Contractor agrees to protect, defend, indemnify, save and hold harmless the State of Louisiana, all State Departments, Agencies, and Boards and Commissions, its officers, agents, servants and employees, including volunteers, from and against any and all claims, demands, expense and liability arising from the activities or recommendations of the Contractor or arising out of injury or death to any person or the damage, loss or destruction of any property which may occur or in any way grow out of any act or omission of the Contractor, its agents, its physician advisors, consultants, medical services personnel, servants, and employees, or any and all costs, expense and/or attorney fees incurred by the Contractor as a result of any claim, demands, and/or causes of action expect of those claims, demands and/or causes of action arising out of negligence of the State of Louisiana, all State Departments, Agencies, Boards, Commissions, its agents, representatives and/or employees. The Contractor agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands, or suits as its sole expense and agrees to bear all other costs and expenses related thereto, even if it (claims, etc.) is groundless, false or fraudulent.

6.17 Liaison

The Contractor will designate one or more persons who shall have the duty of acting as a point of contact with the Office of Risk Management to assure the expeditious execution of this agreement. The Contractor, if a corporation, shall secure and attach to the proposal a formal and dated Board Resolution indicating the Signatory as a corporate representative and authorized to sign said documents.

6.18 Assignment

The auditing firm shall not assign any interest in this contract, and shall not transfer any interest in the same (whether by assignment or novation) without the prior written consent of the Office of Risk management. Notice of intent of any such assignment or transfer shall be furnished promptly to the Office of Risk Management.

6.19 Confidentiality

The Contractor agrees to keep confidential all information and materials which have or will come into its possession or knowledge in connection with the performance of services to the public and will not release, use or disclose any such information without prior written permission of the Office of Risk Management.

The Contractor agrees to comply with all federal and state laws and regulations concerning the confidentiality of medical records; including, but not limited to, the Privacy Act of 1974, federal regulations concerning the confidentiality of alcohol and drug abuse patient records and the provisions of L.S.A.-R.W.44:12.

6.20 Right to Audit

The Legislative Auditor of the State of Louisiana, or other auditing firm designated by the Office of Risk Management, shall have the right to audit the files of the Contractor relative to the Program.

6.21 Fund Use Clause

No funds provided herein shall be used to urge any elector to vote for or against any candidate or proposition on an election ballot nor shall such funds be used to lobby for or against any proposition or matter having the effect of law being considered by the legislature or any local governing authority. This provision shall not prevent the normal dissemination of factual information relative to a proposition of any election ballot or a proposition or matter having the effect of law being considered by the legislature or any local governing authority.

6.22 Anti-Kickback Clause

The Contractor hereby agrees to adhere to the mandates directed by the Copeland "Anti-Kickback" Act which provides that each contractor or subgrantee shall be prohibited from inducing, by any means, any person employed in the completion of work, to give up any part of the compensation to which he is otherwise entitled.

6.23 Patent and Other Proprietary Rights Indemnity

The Contractor warrants that all materials and/or products produced hereunder will not infringe upon or violate any patent, copyright, trade secret or any other proprietary right of any third party. In the event of any claim by any third party against the Office of Risk Management, the Office of Risk Management shall promptly notify the Contractor and the Contractor shall defend such claim in the Office of Risk Management's name, but at Contractor's expense and shall indemnify the Office of Risk Management against any loss, expense or liability arising out of such claim, whether or not such claim is successful.

6.24 Causes Beyond Control

Neither party shall be responsible for delays or failure in performance resulting from acts beyond the control of such party. Such acts shall include but not be limited to acts of God, strikes, riots, lockouts, acts of war, epidemics, governmental regulations superimposed after the fact, fire, communication line failures, power failures, earthquakes or other disasters.

ATTACHMENT “A”
SCOPE OF SERVICES

Overview

ORM seeks to identify and retain quality, efficient and cost effective services for a Utilization Review Program that will comply with all utilization review rules, procedures and standards adopted by the Louisiana Department of Labor, Office of Workers Compensation (herein called LDOL-OWC).

The purpose of the Utilization Review Management Program is:

To coordinate cost and utilization management activities to assure appropriate payment for health care services rendered to State employees eligible for workers' compensation benefits.

Application of the LDOL-OWC Reimbursement Schedules to billings subject to the Workers' Compensation Act with review of the bills and an evaluation of the appropriateness of codes and charges along with the provision of recommendations for payment based on the schedules.

Deliverables

The services required will be to provide the following managed care components:

1. Hospital Pre-Admission Certification, Preparation, Implementation, Evaluation
2. Hospital Admission Certification, Preparation, Implementation, Evaluation
3. Hospital Continued Stay Review, including length of stay assignment, Preparation, Implementation, Evaluation
4. Hospital Discharge Planning, Preparation, Implementation
5. Second Surgical Opinion
6. Ambulatory Surgery, Preparation, Implementation, Evaluation
7. Pre-Screen of hospital, physician, chiropractic, physical therapy charges and if warranted on-site audits with exit interviews
8. Application of the LDOL-OWC Reimbursement Schedules to billings subject to the Workers' Compensation Act with review/audit of the bills and an evaluation of the appropriateness of codes and charges along with the provision of recommendations for payment based on the Schedules.

ATTACHMENT "B"

**ORM STATISTICAL INFORMATION
REIMBURSEMENT / FEE SCHEDULE**

DATE	NUMBER OF INVOICES	LINE ITEMS
10/01/03 – 12/31/03	12,948	40,624
01/01/04 – 03/31/04	13,447	41,375
04/01/04 – 06/30/04	11,962	36,905
07/01/04 – 09/30/04	15,608	47,774

ATTACHMENT C

HISTORICAL DATA

07/03/2003 – 06/30/2004	1,262 referrals for Utilization Review
07/03/2003 — 06/30/2004	16 requests for Second Surgical Opinion
07/03/2003 — 06/30/2004	0 requests for Audits

ATTACHMENT "D"
COST PROPOSAL FORM
REIMBURSEMENT SCHEDULE REVIEW

Quote on a cost per line item and include minimum cost per bill and maximum cost per bill.
Quote hourly professional services fee for any bills requiring audits and/or professional reviews.
(Statistics provided in attached IV may assist you in developing your quoted fees).

Company Name: _____

Authorized Signature: _____

Year 1	\$ _____ cost per line item	\$ _____ minimum/bill	\$ _____ maximum/bill	\$ _____ Hourly rate for professional services
Year 2	\$ _____ cost per line item	\$ _____ minimum/bill	\$ _____ maximum/bill	\$ _____ Hourly rate for professional services
Year 3	\$ _____ cost per line item	\$ _____ minimum/bill	\$ _____ maximum/bill	\$ _____ Hourly rate for professional services

The above proposed cost must be firm for ninety (90) days

ATTACHMENT "E"
COST PROPOSAL FORM

HOSPITAL, PHYSICIAN, CHIROPRACTIC, PHYSICAL THERAPY AUDIT

Fee quotation to be quoted on an hourly basis and include minimum and maximum cost per case. This hourly rate should serve as the professional rate charged to resolve questions regarding medical necessity of appropriateness.

Company Name: _____

Authorized Signature _____

Year 1	\$ _____ hourly rate	\$ _____ minimum/case	\$ _____ maximum/case
Year 2	\$ _____ hourly rate	\$ _____ minimum/case	\$ _____ maximum/case
Year 3	\$ _____ hourly rate	\$ _____ minimum/case	\$ _____ maximum/case

The above proposed cost must be firm for ninety (90) days.

ATTACHMENT "F"
COST PROPOSAL FORM
HOSPITAL PRE-CERTIFICATION, CERTIFICATION, CONTINUED STAY REVIEW,
DISCHARGE PLANNING, AMBULATORY SURGERY, SECOND SURGICAL OPINION

Fee quotation to be quoted on a per case basis. Quote hourly professional services fee to resolve questions regarding medical necessity of appropriateness and Second Surgical Opinion.

Company Name: _____

Authorized Signature _____

Year 1	\$ _____ per case	\$ _____ hourly rate for professional services
Year 2	\$ _____ per case	\$ _____ hourly rate for professional services
Year 3	\$ _____ per case	\$ _____ hourly rate for professional services

The above proposed cost must be firm for ninety (90) days.

ATTACHMENT "G"
CERTIFICATION STATEMENT

The undersigned hereby acknowledges she/he has read and understands all requirements and specifications of the Request for Proposals (RFP), including attachments.

OFFICIAL CONTACT. The State requires that the proposer designate one person to receive all documents and the method in which the documents are best delivered. Identify the contact name and fill in the information below: (Print Clearly):

Date: _____

Official Contact Name: _____

A. EmailAddress: _____

B. Telephone Number with area code: _____

C. Fax number with area code (_____)_____

D. Mailing Address _____

Proposer certifies that the above information is true and grants permission to the State to contact the above named person or otherwise verify the information I have provided.

By its submission of this proposal and authorized signature below, proposer certifies that:

- (1) The information contained in its response to this RFP is accurate;
- (2) Proposer complies with each of the mandatory requirements listed in the RFP and will meet or exceed the scope of services specified therein;
- (3) Proposer accepts the procedures, evaluation criteria, mandatory contract terms and conditions, and all other administrative requirements set forth in this RFP.
- (4) Proposer's quote is valid for at least ninety (90) days from the date of proposer's signature below;
- (5) Proposer understands that if selected as the successful proposer, the company will have ten (10) business days from the date of delivery of final contract in which to complete contract negotiations, if any, and execute the final contract document.

Authorized Signature: _____

Typed or Printed Name: _____

Title: _____

Company Name: _____

Address:_____

City: _____

State:_____ Zip: _____

SIGNATURE of Proposer's Authorized Representative

ATTACHMENT "H"
BOARD RESOLUTION

At a meeting of the Board of Directors for _____

held this _____ day of _____, 20____, there being a quorum present, the following resolution was adopted, to wit:

BE IT RESOLVED, that _____,

or _____,

or _____, is (are) hereby **authorized and empowered** for and on behalf of said Corporation, to perform any and all acts requisite and necessary on behalf of said Corporation, **in signing any and all contracts, amendments, and related matters** between the said Corporation and the Office of Risk Management, Division of Administration, Office of the Governor, State of Louisiana, relating to claims filed against the State of Louisiana and/or any named agency or department thereof and/or any individual thereof, which said matter(s) is (are) being handled on behalf of the State by the Office of Risk Management.

BY:

NAME: _____

TITLE: _____

NAME: _____

TITLE: _____

ATTACHMENT "I"

SAMPLE CONTRACT

Be it known, that on this *(Date)* day of *(month)*, *(year)*, the Office of Risk Management, (hereinafter sometimes referred to as "ORM" or "State") and *(Contractor's name and legal address including zip code)*, hereinafter sometimes referred to as the "Contractor", do hereby enter into a contract under the following terms and conditions.

1. TERM OF CONTRACT

The term of the contract shall be scheduled to begin on _____ 2005 for a period of (3) three years.

2. PAYMENT TERMS

In consideration of the services described above, State hereby agrees to pay the Contractor a maximum fee of \$_____. Payment will be made only on approval of the State Risk Claims Manager. (payment terms to be negotiated)

3. TAXES

Contractor hereby agrees that the responsibility for payment of taxes from the funds thus received under this Contract and/or legislative appropriation shall be consultant's obligation and identified under Federal tax identification number _____.

4. TERMINATION FOR CAUSE

The State may terminate this Contract for cause based upon the failure of the Contractor to comply with the terms and/or conditions of the Contract; provided that the State shall give the Contractor written notice specifying the Contractor's failure. If within thirty (30) days after receipt of such notice, the Contractor shall not have either corrected such failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place the Contractor in default and the Contract shall terminate on the date specified in such notice. The Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the State to comply with the terms and conditions of this contract; provided that the Contractor shall give the State written notice specifying the State's failure and a reasonable opportunity for the state to cure the defect.

5. TERMINATION FOR CONVENIENCE

The State may terminate the Contract at any time by giving thirty (30) days written notice to the Contractor. The Contractor shall be entitled to payment for deliverables in progress, to the extent work has been performed satisfactorily.

6. REMEDIES FOR DEFAULT

Any claim or controversy arising out of this contract shall be resolved by the provisions of LSA - R.S. 39:1524 -1526.

7. OWNERSHIP

All records, reports, documents and other material delivered or transmitted to Contractor by

State shall remain the property of State, and shall be returned by Contractor to State, at Contractor's expense, at termination or expiration of this contract. All records, reports, documents, or other material related to this contract and/or obtained or prepared by Contractor in connection with the performance of the services contracted for herein shall become the property of State, and shall, upon request, be returned by Contractor to State, at Contractor's expense, at termination or expiration of this contract.

8. NON-ASSIGNABILITY

No contractor shall assign any interest in this contract by assignment, transfer, or novation, without prior written consent of the State. This provision shall not be construed to prohibit the contractor from assigning his bank, trust company, or other financial institution any money due or to become due from approved contracts without such prior written consent. Notice of any such assignment or transfer shall be furnished promptly to the State.

9. AUDITORS

It is hereby agreed that the Legislative Auditor of the State of Louisiana and/or the Office of the Governor, Division of Administration auditors shall have the option of auditing all accounts of contractor that relate to this contract.

10. FISCAL FUNDING

The continuation of this contract is contingent upon the appropriation of funds to fulfill the requirements of the contract by the legislature. If the legislature fails to appropriate sufficient monies to provide for the continuation of the contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the contract, the contract shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated.

11. DISCRIMINATION CLAUSE

The contractor agrees to abide by the requirements of the following as applicable: Title VI and VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Act of 1975, and consultant agrees to abide by the requirements of the Americans with Disabilities Act of 1990.

Contractor agrees not to discriminate in its employment practices, and will render services under this contract without regard to race, color, religion, sex, national origin, veteran status, political affiliation, or disabilities.

Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this contract.

12. AMENDMENTS

All amendments to the contract will be by mutual agreement of the contract parties and shall be in writing, and signed by duly authorized representatives of both parties and approved by the Director of Contractual Review, Division of Administration.

13. INSURANCE REQUIREMENT

The Contractor shall maintain Errors and Omissions coverage with limits of at least \$1,000,000 for the duration of the contract. Proof of such coverage is required and must be submitted each policy period during the duration of the contract.

14. ENTIRE AGREEMENT CLAUSE

The contract, together with the RFP and addenda issued thereto by the State, the proposal submitted by the Contractor in response to the State's RFP, and any exhibits specifically incorporated herein by reference, constitute the entire agreement between the parties with respect to the subject matter.

15. ORDER OF PRECEDENCE

This contract shall, to the extent possible, be construed to give effect to all of its provisions; however, where provisions are in conflict, first priority shall be given to the provisions of the contract, excluding the Request for Proposals, its amendments and the Proposal; second priority shall be given to the provisions of the Request for Proposals and its amendments; and third priority shall be given to the provisions of the proposal.

16. SPECIAL WARRANTIES, REPRESENTATIVES AND DUTIES

The Contractor shall be required under the terms of the contract to make the following special warranties and representatives:

- a. The personnel assigned by the Contractor to perform services shall be qualified to perform the assigned duties. The key staff shall be identified by name along with their education and work experience. Key personnel will not be removed from contract without prior approval of ORM. Key personnel will not be added to contract without prior approval of ORM. Resumes must be submitted with request for approval of additional personnel.

The Contractor assumes responsibility for its personnel providing services hereunder and will make all deductions for social security and withholding taxes, contributions for employment compensation funds, and shall maintain at the contractor's expense all necessary insurance for its employees including, but not limited to workers' compensation and liability insurance.

- b. The Contractor shall notify the State Risk Claims Manager in writing fifteen (15) days prior to personnel changes removing any officer or key employee whose responsibilities include significant activities related to the contract.
- c. The Contractor shall warrant that all agents, whether an officer or employee, will act in an independent capacity concerning the terms of the contract and will not act as or be considered employees of the State nor be entitled to any benefits or privileges accorded to public employees, insofar as such benefits and privileges are related to the contract.
- d. Neither party shall be responsible for delays or failure in performance resulting from acts beyond the control of such party. Such acts shall include but not be limited to acts of God, strikes, riots, lockouts, acts of war, epidemics, governmental regulations superimposed after the fact, fire, communication line failures, power failures, earthquakes or other disasters.

17. LIMITATION OF LIABILITY

Contractor shall be fully liable for the actions of its agents, employees, partners or subcontractors and shall fully indemnify and hold harmless the State from suits, actions, damages and costs of every name and description relating to personal injury and damage to real or personal tangible property caused by Contractor, its agents, employees, partners or subcontractors, without limitation; provided, however, that the Contractor shall not indemnify for that portion of any claim, loss or damage arising hereunder due to the negligent act or failure to act of the State.

For all other claims against the Contractor where liability is not otherwise set forth in the contract as being "without limitation", and regardless of the basis on which the claim is made, Contractor's liability for direct damages shall be two (2) times the charges for services rendered by the Contractor under the Contract.

In no event shall Contractor, its affiliates, employees, actuaries, agents, and brokers, be liable to the State for any incidental, special, punitive, or consequential damages of any kind (including without limitation, loss of income, loss of profits, or other pecuniary loss); or for any losses or expenses resulting from any inaccuracy in or omission from any information or data supplied to Contractor in connection with the services provided under this contract. The provisions of this paragraph shall survive the expiration or termination of this contract.

18. GOVERNING LAW

This contract shall be construed in accordance with and governed by the laws of the State of Louisiana.

19. BILLING AND PAYMENT

Payment of fees for successful proposer's services will be made by the Office of Risk Management within thirty (30) days of receipt of itemized invoice. The Office of Risk Management requires monthly invoices.

20. LIASON

The Contractor will designate one or more persons from his staff who shall have the duty of acting as a point of contact with ORM to assure the expeditious execution of this agreement.

21. SECURITY

The Contractor will at all times comply with all security regulations in effect at ORM which are made known in writing by ORM to the Contractor.

22. ACCESS TO INFORMATION

ORM will allow the Contractor's personnel timely access to all necessary records, data and papers.

23. RECORD RETENTION

The Contractor agrees to retain all records and other documents relevant to this contract in accordance with the Louisiana Public Records Law, LA R. S. 44:1 et seq.

24. CONFIDENTIALITY OF STATE INFORMATION

All financial, statistical, personal, technical and other data and information relating to the

State's operation which are designated confidential by the State and made available to the contractor in order to carry out this contract, or which become available to the contractor in carrying out this contract, shall be protected by the contractor from unauthorized use and disclosure through the observance of the same or more effective security requirements as are applicable to the State. The contractor shall not be required under the provisions of the paragraph to keep confidential any data or information that is or becomes publicly available, is already rightfully in the contractor's possession, is independently developed by the contractor outside the scope of the contract, or is rightfully obtained from third parties.

25. REPRODUCTION, PUBLICATION AND USE OF MATERIAL

ORM shall have unrestricted authority to reproduce, publish, distribute and otherwise use in whole or in part, any manuals, reports, data or other materials prepared in connection with this contract or in performance hereof.

THUS DONE AND SIGNED AT Baton Rouge, Louisiana on the day, month and year first written above.

IN WITNESS WHEREOF, the parties have executed this Agreement as of this day of *(enter date)*.

Witness Signatures:

State Agency Signatures:
